Statewide Phosphorus Variance Summary

Establishes a process to potentially allow WPDES permittees to apply for and implement variances for phosphorus water quality based effluent limitations using a statewide analysis for determining whether compliance with water quality based effluent limitations for phosphorus is not feasible because it will cause substantial and widespread adverse social and economic impacts.

Determination of Social and Economic Impacts

- The Department of Administration (DOA), in consultation with the Department of Natural Resources (DNR), must make a determination whether compliance with water quality based effluent limitations for phosphorus is not feasible because it will cause substantial and widespread adverse social and economic impacts on a statewide basis
 - DOA may make this determination for all point sources in the state or on the basis of categories of point sources.
 - DOA must make this determination within 240 days of the effective date of the statute.
- If the determination is made, DNR must seek approval for the statewide variance approach from the US Environmental Protection Agency.

Determination Review

- If the variance determination is in effect, every three years DNR must determine if a review of the variance determination should be undertaken. If so, DOA and DNR must relook at the determination in light of a number of factors including the availability and cost-effectiveness of new technology.
- In any case, a review of the determination must be made in 2024 and a report issued as to whether the determination remains accurate.

Availability of the Variance

- If the determination of substantial and widespread adverse social and economic impacts is made, and it applies to an <u>existing</u> source, to be eligible for a variance under this authority a permittee must:
 - Certify that they cannot achieve compliance without a major facility upgrade
 - Agree to comply with interim phosphorus effluent limits and an implementation requirement.
- Point sources may apply for individual 283.15 or NR 217.19 variances for phosphorus regardless of the statewide variance determination.

Variance Requirements

If the permittee applies for and receives a variance under this statewide approach, the permittee must agree to:

- 1. Comply with the following interim and final phosphorus limits:
 - First permit 0.8 milligrams per liter (mg/L)
 - Second permit 0.6 mg/L
 - Third permit 0.5 mg/L
 - o Fourth permit must comply with the water quality based effluent limit

(Note that a permit term is 5 years, all limits must be achieved by the end of each permit term and all are expressed as a monthly average)

- 2. Agree to implement one of the following three options:
 - a. Enter into an agreement with DNR to implement a plan or project designed to result in an annual reduction of phosphorus from other sources in the HUC 8 basin in an amount equal to the difference between what they discharge and a target value (see target value below).
 - b. Enter into an agreement with a third party and approved by DNR to implement a plan or project designed to result in an annual reduction of phosphorus from other sources in the HUC 8 basin in an amount equal to the difference between what they discharge and a target value.
 - c. Make payments to counties in the same HUC 8 basin of \$50 per pound times the number of pounds of phosphorus their discharge exceeds the target value. Payments are capped for any one point source at \$640,000 per year.

Target Values

For each of the three implementation options, the following target values will apply during the first three permit terms.

- If the basin has an approved total maximum daily load analysis (TMDL) the wasteload allocation for the point source.
- If the basin does not have an approved TMDL analysis in effect, 0.2 mg/L.

County Requirements Under Payment to County Option

- Counties receiving payments under the variance must use them to provide cost-sharing (and staffing) for projects to reduce phosphorus entering waters of the state from nonpoint sources. At least 65% of the payments must be used for cost-sharing practices with a maximum of 35% of payments for staffing.
- Counties must develop a plan for using the payments by March 1 of each year and submit a report by May 1 of the following year describing the projects they implemented and the amount of phosphorus reduced.